

---

Smith Economics Group, Ltd.

A Division of Corporate Financial Group

Economics / Finance / Litigation Support

Stan V. Smith, Ph.D.  
President

August 12, 2010

Mr. Krishnan Chittur  
Chittur & Associates  
286 Madison Ave., Suite 1100  
New York, NY 10017

Re: Lim - DISCOUNTED

Dear Mr. Chittur:

You have asked me to calculate the value of certain losses subsequent to the injury of Long Lim. These losses are: (1) the loss of payment made to Northern Leasing; (2) the loss of time spent; (3) the loss of credit expectancy; and (4) the reduction in value of life ("RVL"), also known as loss of enjoyment of life.

Long Lim is a Asian, married male, who was born on [REDACTED], and injured on May 1, 2001 at the age of 32.1 years. Mr. Lim will be 41.5 years old at the estimated trial or settlement date of October 1, 2010, with a remaining life expectancy estimated at 36.5 years. This data is from the National Center for Health Statistics, United States Life Tables, 2006, Vol. 58, No. 21, National Vital Statistics Reports, 2010.

In order to perform this evaluation, I have reviewed the following materials: (1) the Amended Complaint; (2) Mr. Lim's August 17, 2004 Equifax Credit File; (3) numerous court documents and communications between Mr. Lim and Northern Leasing; (4) the interview with Long Lim on August 11, 2010; and (5) the case information form.

My methodology for estimating the losses, which is explained below, is generally based on past wage growth, interest rates, and consumer prices, as well as studies regarding the value of life. The effective net discount rate using statistically average wage growth rates and statistically average discount rates is 0.40 percent.

My estimate of the nominal wage growth rate is 4.05 percent per year. This growth rate is based on Business Sector, Hourly Compensation growth data from the Major Sector Productivity and Costs Index found at the U.S. Bureau of Labor Statistics website at [www.bls.gov/data/home.htm](http://www.bls.gov/data/home.htm), Series ID: PRS84006103, for the real increase in wages primarily for the last 20 years.

# SEG

My estimate of the nominal discount rate is 4.45 percent per year. This discount rate is based on the rate of return on 91-day U.S. Treasury Bills published in the Economic Report of the President for the real return on T-Bills primarily for the last 20 years. This rate is also consistent with historical rates published by Ibbotson Associates, Chicago, in its continuously updated series Stocks, Bonds, Bills and Inflation published by Morningstar, Inc. This series, which acknowledges me as the Originator while a Principal and Managing Director at Ibbotson Associates, is generally regarded by academics in the field of finance as the most widely accepted source of statistics on the rates of return on investment securities. It is relied upon almost exclusively by academic and business economists, insurance companies, banks, institutional investors, CPA's, actuaries, benefit analysts, and economists in courts of law.

My estimate of the inflation rate is 3.00 percent per year based on the Consumer Price Index (CPI-U) published in monthly issues of the U.S. Bureau of Labor Statistics, CPI Detailed Report (Washington, D.C.: U.S. Government Printing Office) and available at the U.S. Bureau of Labor Statistics website at [www.bls.gov/data/home.htm](http://www.bls.gov/data/home.htm), Series ID: CUUR0000SA0, for the increase in prices primarily for the last 20 years.

## I. LOSS OF PAYMENTS MADE TO NORTHERN LEASING

Long Lim is a refugee from Laos, and in 1998 he opened a nail salon, Nail Queen, in Georgia. Shortly after opening his business a salesman came by and sold him some credit processing equipment. Mr. Lim was never told he was entering into a lease, and that some company would be taking money out of his bank account. Within a couple of months of receiving his equipment, Mr. Lim attempted to return it, and assumed his relationship with the salesperson was over.

Mr. Lim noticed Northern Leasing had been taking money out of his bank account and was forced to close the account to prevent further debits. By September of 1998 they had taken \$188.53, which is money Mr. Lim never intended to pay.

Based on the above information, my opinion of the loss of payments is \$189.

## II. LOSS OF TIME SPENT

Table 1D shows the loss of time spent. In May of 2001, Mr. Lim learned that Northern Leasing was pursuing a claim against him for over two thousand dollars. He did research, collected paperwork, and attempted to sort things out with Northern Leasing, and when he received no further complaints from Northern

## SEG

Leasing, Mr. Lim once again assumed everything had been corrected. In actuality, Northern Leasing had been sending correspondence to Mr. Lim's former address, and they in fact had never stopped pursuing their claim against him.

It was not until August of 2004 that Mr. Lim saw that there was a court judgment against him on his credit report. Once Mr. Lim saw his credit report, he resumed his efforts to clear his name with Northern Leasing. He was relatively new to the United States, and had never any similar issues in the past, so he states he spent a great deal of time researching the law and exploring his options. Also, as a refugee from Laos, Mr. Lim speaks English, but it is not perfect. When drafting letters and court documents, he states he had to spend a long time working on the letters. Mr. Lim also believed in the American dream and was determined to clear his name no matter what. There was a lot of back and forth in communications between him and Northern Leasing, and finally in April 2006 a judge dismissed their suit against Mr. Lim. All told, Mr. Lim believes he spent at least 200 to 250 hours of his time attempting to correct this situation.

The loss of time spent is illustrated at 40 hours of time spent in each year from 2001 through 2006, and is valued at \$14.00 in year 2009 dollars based on the median wages of the average of Office Clerks and Payroll and Timekeeping Clerks in Georgia. This data is from the Georgia Department of Labor, wage data as of 2009, found at [www.dol.state.ga.us](http://www.dol.state.ga.us). Wages in 2001 through 2008 are reduced by national average wage growth of 0.92 percent in 2009, 3.05 percent in 2008, 3.72 percent in 2007, 4.40 percent in 2006, 3.42 percent in 2005, 3.80 percent in 2004, 5.61 percent in 2003, and 2.99 percent in 2002.

Based on the above assumptions, my opinion of the loss of time spent is \$2,825 ► Table 1D.

### III. LOSS OF CREDIT EXPECTANCY

Table 2D shows the loss of credit expectancy. The court judgment against him came to Mr. Lim's attention because he had been attempting to refinance his house in 2004 or 2005, but was of course turned down as a result. He does not recall how much he would have saved on his mortgage as a result, but his original mortgage for approximately \$165,000. In this period of time, Mr. Lim also applied for two credit cards and was denied for both of them. Mr. Lim states he never had any credit issues in the past, but with negative reporting on the part of Northern Leasing and with a court judgment against him, his credit was ruined.

After the lawsuit against him got dismissed in April 2006, Mr. Lim contacted the credit bureaus and made sure that both the

## SEG

---

court judgment and delinquencies were removed from his report, and he has experienced no other credit-related problems since.

Mr. Lim had opened Nail Queen in 1998 and also became a flight attendant in 1999. He had to quit that position in 2000 when his son was born so that he could look after the nail salon while his wife took care of their newborn. In 2002, Mr. Lim opened another business importing model ships, aircraft, motorcycles, etc. handcrafted out of exotic wood from Vietnam. The business did not prove profitable because Mr. Lim could not raise enough capital, and he closed it in 2006. Mr. Lim estimates that he was earning between \$45,000 and \$65,000 per year from Nail Queen during his problems with Northern Leasing. He sold the salon a couple of years ago, and went back to being a flight attendant full-time in April of 2008.

Mr. Lim had the ability to borrow considerable sums beyond her current lines of credit. I estimate this additional capacity to be at least \$200,000, and likely more, based on Mr. Lim's approximate income of \$55,000 per year, previous ability to secure a mortgage of approximately \$165,000, and intent to obtain additional credit cards. This standby expectancy has a value similar to the value of a safety net for a trapeze artist, or the value of a term life policy for a person who continues to live a healthy life - the value does not depend upon the actual use. The loss of expectancy is estimated by the costs of using this credit under normal circumstances, approximately 12 percent per year, and the costs of using this credit, if available, at the highest rates charged to those who are viewed as high credit risks, approximately 25 percent. This difference is 13 percent per year and is an estimate of the value of the expectancy loss. Although delinquencies from Northern Leasing may have appeared on Mr. Lim's credit report as far back as 1998, I conservatively illustrate the loss from May 2001 through May 2006, the respective approximate times when Mr. Lim discovered Northern Leasing was pursuing a claim against him and when he was able to have his credit report cleared.

Based on the above assumptions, the loss of credit expectancy is illustrated at \$140,450 ► Table 2D.

#### IV. REDUCTION IN VALUE OF LIFE

Economists have long agreed that life is valued at more than the lost earnings capacity. My estimate of the value of life is based on many economic studies on what we, as a contemporary society, actually pay to preserve the ability to lead a normal life. The studies examine incremental pay for risky occupations as well as a multitude of data regarding expenditure for life savings by individuals, industry, and state and federal agencies.

# SEG

My estimate of the value of life is consistent with estimates published in other studies that examine and review the broad spectrum of economic literature on the value of life. Among these is "The Plausible Range for the Value of Life," Journal of Forensic Economics, Vol. 3, No. 3, Fall 1990, pp. 17-39, by T. R. Miller. This study reviews 67 different estimates of the value of life published by economists in peer-reviewed academic journals. The Miller results, in most instances, show the value of life to range from approximately \$1.6 million to \$2.9 million dollars in year 1988 after-tax dollars, with a mean of approximately \$2.2 million dollars. In "The Value of Life: Estimates with Risks by Occupation and Industry," Economic Inquiry, Vol. 42, No. 1, May 2003, pp. 29-48, Professor W. K. Viscusi estimates the value of life to be approximately \$4.7 million dollars in year 2000 dollars. An early seminal paper on the value of life was written by Richard Thaler and Sherwin Rosen, "The Value of Saving a Life: Evidence from the Labor Market." in N.E. Terlickyj (ed.), Household Production and Consumption. New York: Columbia University Press, 1975, pp. 265-300. The Meta-Analyses Appendix to this report reviews additional literature suggesting a value of life of approximately \$5.4 million in year 2008 dollars.

Because it is generally accepted by economists, the methodology used to estimate the value of life has been found to meet Daubert standards, as well as Frye standards and the Rules of Evidence in various states, by Federal Circuit and Appellate courts, as well as state trial, supreme and appellate courts nationwide. Testimony based on this peer-reviewed methodology has been admitted in over half the states in over 175 trials nationwide. Proof of general acceptance and other standards is found in a discussion of the extensive references to the scientific economic peer-reviewed literature on the value of life listed in the **Value of Life Appendix** to this report.

The underlying, academic, peer-reviewed studies fall into two general groups: (1) consumer behavior and purchases of safety devices; (2) wage risk premiums to workers; in addition, there is a third group of studies consisting of cost-benefit analyses of regulations. For example, one consumer safety study analyzes the costs of smoke detectors and the lifesaving reduction associated with them. One wage premium study examines the differential rates of pay for dangerous occupations with a risk of death on the job. Just as workers receive shift premiums for undesirable work hours, workers also receive a higher rate of pay to accept a increased risk of death on the job. A study of government regulation examines the lifesaving resulting from the installation of smoke stack scrubbers at high-sulphur, coal-burning power plants. As a hypothetical example of the methodology, assume that a safety device such as a carbon monoxide detector costs \$46 and results in lowering a person's risk of premature death by one chance in 100,000. The cost per



## SEG

life saved is obtained by dividing \$46 by the one in 100,000 probability, yielding \$4,600,000.

Tables 3D through 8D are based on several factors:

- (1) An assumed impairment rating by the trier-of-fact of between 40 percent and 60 percent from May 2001 through April 2006, and between 5 percent and 10 percent thereafter reduction in the ability to lead a normal life. The diminished capacity to lead a normal life reflects the impact on career, social and leisure activities, the activities of daily living, and the internal emotional state, as discussed in Berla, Edward P., Michael L. Brookshire and Stan V. Smith, "Hedonic Damages and Personal Injury: A Conceptual Approach," Journal of Forensic Economics, Vol 3, No. 1, Winter 1990, pp. 1-8;
- (2) The central tendency of the range of the economic studies cited above which I estimate to be approximately \$4.2 million in year 2010 dollars; and
- (3) A life expectancy of 78.0 years.

Tables 3D through 5D are based on the lower estimated impairment rating; Tables 6D through 8D are based on the upper estimated impairment rating. Based on these values and life expectancy, my opinion of the reduction in the value of life is estimated at \$426,806 ▶ Table 5D to \$744,796 ▶ Table 8D, averaging \$585,801.

-----

A trier-of-fact may weigh other factors to determine if these estimated losses for Long Lim should be adjusted because of special qualities or circumstances that economists do not as yet have a methodology for analysis.

The estimated losses are calculated from May 1, 2001 through an assumed trial or settlement date of October 1, 2010, and from that date thereafter. The last table in each set accumulates the past and future estimated losses. These estimates are provided as an aid, tool and guide for the trier-of-fact.

All opinions expressed in this report are clearly labeled as such. They are rendered in accordance with generally accepted standards within the field of economics and are expressed to a reasonable degree of economic certainty. Estimates, assumptions, illustrations and the use of benchmarks, which are not opinions, but which can be viewed as hypothetical in nature, are also clearly disclosed and identified herein.

In my opinion, it is reasonable for experts in the field of economics and finance to rely on the materials and information I reviewed in this case for the formulation of my substantive opinions herein.

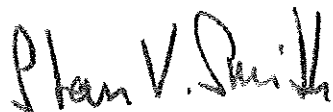
SEG

---

If additional information is provided to me, which could alter my opinions, I may incorporate any such information into an update, revision, addendum, or supplement of the opinions expressed in this report.

If you have any questions, please do not hesitate to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Stan V. Smith". The signature is written in a cursive, slightly slanted style.

Stan V. Smith, Ph.D.  
President

# SEG

## APPENDIX: VALUE OF LIFE

The economic methodology for the valuation of life has been found to meet the Daubert and Frye standards by many courts, along with the Rules of Evidence in many states nationwide. My testimony has been accepted in approximately 200 state and federal cases nationwide in approximately two-thirds of the states and two-thirds of the federal jurisdictions. Testimony has been accepted by Federal circuit and Appellate courts as well as in state trial, supreme, and appellate Courts. The Daubert standard sets forth four criteria:

1. Testing of the theory and science
2. Peer Review
3. Known or potential rate of error
4. Generally accepted.

**Testing of the theory and science** has been accomplished over the past four decades, since the 1960s. Dozens of economists of high renown have published over a hundred articles in high quality, peer-reviewed economic journals measuring the value of life. The value of life theories are perhaps among the most well-tested in the field of economics, as evidenced by the enormous body of economic scientific literature that has been published in the field and is discussed below.

**Peer Review** of the concepts and methodology have been extraordinarily extensive. One excellent review of this extensive, peer-reviewed literature can be found in "The Value of Risks to Life and Health," W. K. Viscusi, Journal of Economic Literature, Vol. 31, December 1993, pp. 1912-1946. A second is "The Value of a Statistical Life: A Critical Review of Market Estimates throughout the World." W. K. Viscusi and J. E. Aldy, Journal of Risk and Uncertainty, Vol. 27, No. 1, November 2002, pp. 5-76. Additional theoretical and empirical work by Viscusi, a leading researcher in the field, can be found in: "The Value of Life", W. K. Viscusi, John M. Olin Center for Law, Economics, and Business, Harvard Law School, Discussion Paper No. 517, June 2005. An additional peer-reviewed article discusses the application to forensic economics: "The Plausible Range for the Value of Life," T. R. Miller, Journal of Forensic Economics, Vol. 3, No. 3, Fall 1990, pp. 17-39, which discusses the many dozens of articles published in other peer-reviewed economic journals on this topic. This concept is discussed in detail in "Willingness to Pay Comes of Age: Will the System Survive?" T. R. Miller, Northwestern University Law Review, Summer 1989, pp. 876-907, and "Hedonic Damages in Personal Injury and Wrongful Death



# SEG

Litigation," by S. V. Smith in Litigation Economics, pp. 39-59. Kenneth Arrow, a Nobel Laureate in economics, discusses this method for valuing life in "Invaluable Goods," Journal of Economic Literature, Vol. 35, No. 2, 1997, pp. 759. See the Meta-Analyses Appendix for an additional review of the literature.

**The known or potential rate of error** is well researched. All of these articles discuss the known or potential rate of error, well within the acceptable standard in the field of economics, generally using a 95% confidence rate for the statistical testing and acceptance of results. There are few areas in the field of economics where the known or potential rate of error has been as well-accepted and subject to more extensive investigation.

**General Acceptance** of the concepts and methodology on the value of life in the field of economics is extensive. This methodology is and has been generally accepted in the field of economics for many years. Indeed, according to the prestigious and highly-regarded research institute, The Rand Corporation, by 1988, the peer-reviewed scientific methods for estimating the value of life were well-accepted: "Most economists would agree that the willingness-to-pay methodology is the most conceptually appropriate criterion for establishing the value of life," Computing Economic loss in Cases of Wrongful Death, King and Smith, Rand Institute for Civil Justice, R-3549-ICJ, 1988.

While first discussed in cutting edge, peer-reviewed economic journals, additional proof of general acceptance is now indicated by the fact that this methodology is now taught in standard economics courses at the undergraduate and graduate level throughout hundreds of colleges and universities nationwide as well as the fact that it is taught and discussed in widely-accepted textbooks in the field of law and economics: Economics, Sixth Edition, David C. Colander, McGraw-Hill Irwin, Boston, 2006, pp. 463-465; this introductory economics textbook is the third most widely used textbook in college courses nationwide. Hamermesh and Rees's The Economics of Work and Pay, Harper-Collins, 1993, Chapter 13, a standard advanced textbook in labor economics, also discusses the methodology for valuing life. Other textbooks discuss this topic as well. Richard Posner, a Justice and former Chief Justice of the U.S. Court of Appeals for the highly regarded 7th Circuit and Senior Lecturer at the University of Chicago Law School, one of most prolific legal writers in America, details the Value of Life approach in his widely used textbooks: Economic Analysis of Law, 1986, Little Brown & Co., pp. 182-185 and Tort Law, 1982, Little Brown & Co., pp. 120-126.

As further evidence of general acceptance in the field, some surveys published in the field of forensic economics show that hundreds of economics nationwide are now familiar with this

## SEG

---

methodology and are available to prepare (and critique) forensic economic value of life estimates. Indeed, some economists who indicate they will prepare such analysis for plaintiffs also are willing to critique such analysis for defendants, as I have often done. That an economist is willing to critique a report does not indicate that he or she is opposed to the concept or the methodology, but merely available to assure that the plaintiff economist has employed proper techniques. The fact that there are economists who indicate they do not prepare estimates of value of life is again no indication that they oppose the methodology: many claim they are not familiar with the literature and untrained in this area. While some CPAs and others without a degree in economics have opposed these methods, such professionals do not have the requisite academic training and are unqualified to make such judgements. However, as in any field of economics, this area is not without any dissent. General acceptance does not mean universal acceptance.

Additional evidence of general acceptance in the field is found in the teaching of the concepts regarding the value of life. Forensic Economics is now taught as a special field in a number of institutions nationwide. I taught what is believed to be the first course ever presented in the field of Forensic Economics at DePaul University in Spring, 1990. My own book, Economic/Hedonic Damages, Anderson, 1990, and supplemental updates thereto, co-authored with Dr. Michael Brookshire, a Professor of Economics in West Virginia, has been used as a textbook in at least 5 colleges and universities nationwide in such courses in economics, and has a thorough discussion of the methodology. Toppino et. al., in "Forensic Economics in the Classroom," published in The Earnings Analyst, Journal of the American Rehabilitation Economics Association, Vol. 4, 2001, pp. 53-86, indicate that hedonic damages is one of 15 major topic areas taught in such courses.

Lastly, general acceptance is found by examining publications in the primary journal in the field of Forensic Economics, which is the peer-reviewed Journal of Forensic Economics, where there have been published many articles on the value of life. Some are cited above. Others include: "The Econometric Basis for Estimates of the Value of Life," W. K. Viscusi, Vol 3, No. 3, Fall 1990, pp. 61-70; "Hedonic Damages in the Courtroom Setting." S. V. Smith, Vol. 3, No. 3, Fall 1990, pp. 41-49; "Issues Affecting the Calculated Value of Life," E. P. Berla, M. L. Brookshire and S. V. Smith, Vol 3, No. 1, 1990, pp. 1-8; "Hedonic Damages and Personal Injury: A Conceptual Approach." G. R. Albrecht, Vol. 5., No. 2, Spring/Summer 1992, pp. 97-104; "The Application of the Hedonic Damages Concept to Wrongful and Personal Injury Litigation." G. R. Albrecht, Vol. 7, No. 2, Spring/Summer 1994, pp. 143-150; and also "A Review of the Monte Carlo Evidence Concerning Hedonic Value of Life Estimates," R. F. Gilbert, Vol. 8, No. 2, Spring/Summer 1995, pp. 125-130.

## SEG

---

It is important to note that this methodology is endorsed and employed by the U. S. Government as the standard and recommended approach for use by all U. S. Agencies in valuing life for policy purposes, as mandated in current and past Presidential Executive Orders in effect since 1972, and as discussed in "Report to Congress on the Costs and Benefits of Federal Regulations," Office of Management and Budget, 1998, and "Economic Analysis of Federal Regulations Under Executive Order 12866," Executive Office of the President, Office of Management and Budget, pp. 1-37, and "Report to the President on Executive Order No. 12866," Regulatory Planning and Review, May 1, 1994, Office of Information and Regulatory Affairs, Office of Management and Budget. Prior presidents signed similar orders as discussed in "Federal Agency Valuations of Human life," Administrative Conference of the United States, Report for Recommendation 88-7, December 1988, pp. 368-408. 926

# SEG

## APPENDIX: META-ANALYSES AND VALUE OF LIFE RESULTS SINCE 2000

Below I list the principal systematic reviews (meta-analyses), since the year 2000, of the value of life literature, and the values of a statistical life that they recommend. In statistics, a meta-analysis combines the results of several studies that address a set of related research hypotheses. Meta-analysis increase the statistical power of studies by analyzing a group of studies and provide a more powerful and accurate data analysis than would result from analyzing each study alone. Based on those reviews, the Summary Table suggests a best estimate. The following table summarizes the studies and their findings.

These statistically based studies place the value between \$4.4 and \$7.5 million, with \$5.9 million representing a conservative yet credible estimate of the average (and range midpoint) of the values of a statistical life published in the studies in year 2005 dollars. Net of human capital, a credible net value of life based on all these literature reviews to be \$4.8 million in year 2005 dollars, or \$5.4 million in year 2008 dollars.

The actual value that I use, \$4.1 million is approximately 24 percent lower than a conservative average estimate based on the credible meta-analyses. This value was originally based on a review conducted in the late 1980s, averaging the results published by that time. I have increased that late 1980s value only by inflation over time, despite the fact a review of literature over the years since that time has put obvious upward pressure on the figure that I use.

# SEG

---

Summary Table: Mean and range of value of statistical life estimates (in 2005 dollars) from the best meta-analyses and systematic reviews and characteristics of those reviews.

Study	Formal Meta-Analysis?	Number of Values	Best Estimate (2005 Dollars)	Range	Context
Miller 2000	Yes	68 estimates	\$5.1M	\$4.5-\$6.2M	US estimate from all
Mrozek & Taylor 2002	Yes	203 estimates, from 33 studies	\$4.4M	+ or - 35%	Labor market
Viscusi & Aldy 2003	Yes	49 estimates (reviewed more than 60 studies, but some lacked desired variables)	\$6.5M	\$5.1-\$9.6M	Labor market, US estimate from all
Kochi et al. 2006	Yes	234 estimates from 40 studies	\$6.0M	+ or - 44%	Labor market, survey
Bellavance 2006	Yes	37 estimates from 34 studies (rejected 15 others that lacked desired data or were flawed)	\$7.0M	+ or - 19%	Labor market

## SEG

---

Miller (2000) started from the Miller 1989 JFE estimates and used statistical methods to adjust for differences between studies. It also added newer studies, primarily ones outside the United States. The authors specified the most appropriate study approach a priori, which allowed calculation of a best estimate from the statistical regression.

Mrozek and Taylor (2002) searched intensively for studies of the value of life implied by wages paid for risky jobs. They coded all values from each study rather than a most appropriate estimate. A statistical analysis identified what factors accounted for the differences in values between studies. The authors specified the most appropriate study approach a priori, which allowed calculation of a best estimate from the statistical regression.

Viscusi and Aldy (2003) focused on values from labor market studies that they considered of high quality and that provided data on risk levels and other important explanatory variables. They used statistical methods to account for variations between studies and derive a best estimate.

Kochi et al. (2006) searched intensively for studies of the value of life implied by wages and coded all values from each study rather than a most appropriate estimate. They did not filter study quality carefully. The best estimate was derived by statistical methods based on the distribution of the values within and across studies.

Bellavance et al. (2006) focused on values from labor market studies that they considered of high quality and that provided data on risk levels and other important explanatory variables. They used statistical methods to account for variations between studies and derive a best estimate. 926



# SEG

---

## SUMMARY OF LOSSES FOR LONG LIM

TABLE *****	DESCRIPTION *****	ESTIMATE *****
	<u>EARNINGS</u>	
	LOSS OF PAYMENTS	\$ 189
1D	LOSS OF TIME SPENT	\$ 2,825
2D	LOSS OF CREDIT EXPECTANCY	\$ 140,450
	-----	
	<u>LOSS OF ENJOYMENT OF LIFE</u>	
	REDUCTION IN VALUE OF LIFE	
5D	Lower impairment rating	\$ 426,806
8D	Upper impairment rating	\$ 744,796

The information on this Summary of Losses is intended to summarize losses under certain given assumptions. Please refer to the report and the tables for all the opinions.

LOSS OF PAST TIME SPENT  
2001 - 2006

YEAR	AGE	WAGES	CUMULATE
****	***	*****	*****
2001	32	\$426	\$426
2002	33	439	865
2003	34	463	1,328
2004	35	481	1,809
2005	36	497	2,306
2006	37	519	\$2,825
LONG LIM		\$2,825	

LOSS OF PAST CREDIT EXPECTANCY  
2001 - 2006

YEAR	AGE	WAGES	CUMULATE
****	***	*****	*****
2001	32	\$17,381	\$17,381
2002	33	26,619	44,000
2003	34	27,119	71,119
2004	35	28,003	99,122
2005	36	28,961	128,083
2006	37	12,367	\$140,450
LONG LIM		\$140,450	

Table 3D  
 LOSS OF PAST RVL TO LONG - LOWER  
 2001 - 2010

YEAR	AGE	RVL	CUMULATE
****	***	*****	*****
2001	32	\$27,423	\$27,423
2002	33	41,998	69,421
2003	34	42,788	112,209
2004	35	44,182	156,391
2005	36	45,694	202,085
2006	37	19,447	221,532
2007	38	6,096	227,628
2008	39	6,101	233,729
2009	40	6,267	239,996
2010	41	4,828	\$244,824

LONG LIM        \$244,824

PRESENT VALUE OF FUTURE RVL TO LONG - LOWER  
2010 - 2047

YEAR	AGE	RVL	DISCOUNT FACTOR	PRESENT VALUE	CUMULATE
****	***	*****	*****	*****	*****
2010	41	\$1,627	0.98891	\$1,609	\$1,609
2011	42	6,649	0.94678	6,295	7,904
2012	43	6,848	0.90644	6,207	14,111
2013	44	7,053	0.86782	6,121	20,232
2014	45	7,265	0.83085	6,036	26,268
2015	46	7,483	0.79545	5,952	32,220
2016	47	7,707	0.76156	5,869	38,089
2017	48	7,938	0.72912	5,788	43,877
2018	49	8,176	0.69805	5,707	49,584
2019	50	8,421	0.66831	5,628	55,212
2020	51	8,674	0.63984	5,550	60,762
2021	52	8,934	0.61258	5,473	66,235
2022	53	9,202	0.58648	5,397	71,632
2023	54	9,478	0.56150	5,322	76,954
2024	55	9,762	0.53757	5,248	82,202
2025	56	10,055	0.51467	5,175	87,377
2026	57	10,357	0.49274	5,103	92,480
2027	58	10,668	0.47175	5,033	97,513
2028	59	10,988	0.45165	4,963	102,476
2029	60	11,318	0.43241	4,894	107,370
2030	61	11,658	0.41399	4,826	112,196
2031	62	12,008	0.39635	4,759	116,955
2032	63	12,368	0.37946	4,693	121,648
2033	64	12,739	0.36330	4,628	126,276
2034	65	13,121	0.34782	4,564	130,840
2035	66	13,515	0.33300	4,500	135,340
2036	67	13,920	0.31881	4,438	139,778
2037	68	14,338	0.30523	4,376	144,154
2038	69	14,768	0.29223	4,316	148,470
2039	70	15,211	0.27978	4,256	152,726
2040	71	15,667	0.26786	4,197	156,923
2041	72	16,137	0.25644	4,138	161,061
2042	73	16,621	0.24552	4,081	165,142
2043	74	17,120	0.23506	4,024	169,166
2044	75	17,634	0.22504	3,968	173,134
2045	76	18,163	0.21546	3,913	177,047
2046	77	18,708	0.20628	3,859	180,906
2047	78	5,279	0.20379	1,076	\$181,982
LONG LIM				\$181,982	

Table 5D  
PRESENT VALUE OF NET RVL TO LONG - LOWER  
2001 - 2047

YEAR	AGE	RVL	CUMULATE
****	***	*****	*****
2001	32	\$27,423	\$27,423
2002	33	41,998	69,421
2003	34	42,788	112,209
2004	35	44,182	156,391
2005	36	45,694	202,085
2006	37	19,447	221,532
2007	38	6,096	227,628
2008	39	6,101	233,729
2009	40	6,267	239,996
2010	41	6,437	246,433
2011	42	6,295	252,728
2012	43	6,207	258,935
2013	44	6,121	265,056
2014	45	6,036	271,092
2015	46	5,952	277,044
2016	47	5,869	282,913
2017	48	5,788	288,701
2018	49	5,707	294,408
2019	50	5,628	300,036
2020	51	5,550	305,586
2021	52	5,473	311,059
2022	53	5,397	316,456
2023	54	5,322	321,778
2024	55	5,248	327,026
2025	56	5,175	332,201
2026	57	5,103	337,304
2027	58	5,033	342,337
2028	59	4,963	347,300
2029	60	4,894	352,194
2030	61	4,826	357,020
2031	62	4,759	361,779
2032	63	4,693	366,472
2033	64	4,628	371,100
2034	65	4,564	375,664
2035	66	4,500	380,164
2036	67	4,438	384,602
2037	68	4,376	388,978
2038	69	4,316	393,294
2039	70	4,256	397,550
2040	71	4,197	401,747
2041	72	4,138	405,885
2042	73	4,081	409,966
2043	74	4,024	413,990
2044	75	3,968	417,958
2045	76	3,913	421,871
2046	77	3,859	425,730
2047	78	1,076	\$426,806
LONG LIM		\$426,806	



LOSS OF PAST RVL TO LONG - UPPER  
2001 - 2010

YEAR	AGE	RVL	CUMULATE
****	***	*****	*****
2001	32	\$41,134	\$41,134
2002	33	62,997	104,131
2003	34	64,181	168,312
2004	35	66,274	234,586
2005	36	68,540	303,126
2006	37	31,130	334,256
2007	38	12,192	346,448
2008	39	12,202	358,650
2009	40	12,534	371,184
2010	41	9,656	\$380,840

LONG LIM        \$380,840

PRESENT VALUE OF FUTURE RVL TO LONG - UPPER  
2010 - 2047

YEAR	AGE	RVL	DISCOUNT FACTOR	PRESENT VALUE	CUMULATE
****	***	*****	*****	*****	*****
2010	41	\$3,254	0.98891	\$3,218	\$3,218
2011	42	13,297	0.94678	12,589	15,807
2012	43	13,696	0.90644	12,415	28,222
2013	44	14,107	0.86782	12,242	40,464
2014	45	14,530	0.83085	12,072	52,536
2015	46	14,966	0.79545	11,905	64,441
2016	47	15,415	0.76156	11,739	76,180
2017	48	15,877	0.72912	11,576	87,756
2018	49	16,353	0.69805	11,415	99,171
2019	50	16,844	0.66831	11,257	110,428
2020	51	17,349	0.63984	11,101	121,529
2021	52	17,869	0.61258	10,946	132,475
2022	53	18,405	0.58648	10,794	143,269
2023	54	18,957	0.56150	10,644	153,913
2024	55	19,526	0.53757	10,497	164,410
2025	56	20,112	0.51467	10,351	174,761
2026	57	20,715	0.49274	10,207	184,968
2027	58	21,336	0.47175	10,065	195,033
2028	59	21,976	0.45165	9,925	204,958
2029	60	22,635	0.43241	9,788	214,746
2030	61	23,314	0.41399	9,652	224,398
2031	62	24,013	0.39635	9,518	233,916
2032	63	24,733	0.37946	9,385	243,301
2033	64	25,475	0.36330	9,255	252,556
2034	65	26,239	0.34782	9,126	261,682
2035	66	27,026	0.33300	9,000	270,682
2036	67	27,837	0.31881	8,875	279,557
2037	68	28,672	0.30523	8,752	288,309
2038	69	29,532	0.29223	8,630	296,939
2039	70	30,418	0.27978	8,510	305,449
2040	71	31,331	0.26786	8,392	313,841
2041	72	32,271	0.25644	8,276	322,117
2042	73	33,239	0.24552	8,161	330,278
2043	74	34,236	0.23506	8,048	338,326
2044	75	35,263	0.22504	7,936	346,262
2045	76	36,321	0.21546	7,826	354,088
2046	77	37,411	0.20628	7,717	361,805
2047	78	10,557	0.20379	2,151	\$363,956
LONG LIM				\$363,956	

PRESENT VALUE OF NET RVL TO LONG - UPPER  
2001 - 2047

YEAR	AGE	RVL	CUMULATE
****	***	*****	*****
2001	32	\$41,134	\$41,134
2002	33	62,997	104,131
2003	34	64,181	168,312
2004	35	66,274	234,586
2005	36	68,540	303,126
2006	37	31,130	334,256
2007	38	12,192	346,448
2008	39	12,202	358,650
2009	40	12,534	371,184
2010	41	12,874	384,058
2011	42	12,589	396,647
2012	43	12,415	409,062
2013	44	12,242	421,304
2014	45	12,072	433,376
2015	46	11,905	445,281
2016	47	11,739	457,020
2017	48	11,576	468,596
2018	49	11,415	480,011
2019	50	11,257	491,268
2020	51	11,101	502,369
2021	52	10,946	513,315
2022	53	10,794	524,109
2023	54	10,644	534,753
2024	55	10,497	545,250
2025	56	10,351	555,601
2026	57	10,207	565,808
2027	58	10,065	575,873
2028	59	9,925	585,798
2029	60	9,788	595,586
2030	61	9,652	605,238
2031	62	9,518	614,756
2032	63	9,385	624,141
2033	64	9,255	633,396
2034	65	9,126	642,522
2035	66	9,000	651,522
2036	67	8,875	660,397
2037	68	8,752	669,149
2038	69	8,630	677,779
2039	70	8,510	686,289
2040	71	8,392	694,681
2041	72	8,276	702,957
2042	73	8,161	711,118
2043	74	8,048	719,166
2044	75	7,936	727,102
2045	76	7,826	734,928
2046	77	7,717	742,645
2047	78	2,151	\$744,796
LONG LIM		\$744,796	

August 12, 2010

WORK NOTES - DISCOUNTED (SRU/BAE)

BASIC FACTS: CREDIT DAMAGE CASE OF 32 YR-OLD MALE WHOSE SIGNATURE WAS FORGED TO ENTER INTO FRAUDULENT CONTRACTS, RESULTING IN CREDIT DAMAGE, LOSS OF TIME AND PAYMENTS, ETC..

CONTROL INFO

NAME: LONG LIM

GENDER: MALE

RACE: ASIAN

DOB: [REDACTED]

DOI: MAY 1, 2001

DOL: SAME

DOT: OCTOBER 1, 2010

AGE AT DOI: 32.1

AGE AS OF DOT: 41.5

RLE AS OF DOT: 36.5

LE AS OF DOT: 78.0

GROWTH RATE: 4.05% NOMINAL

DISCOUNT RATE: 4.45% NOMINAL

FAMILY BACKGROUND

MARITAL STATUS: MARRIED

FAMILY MEMBERS: [REDACTED]-WIFE;

[REDACTED] LIM-SON;

[REDACTED] LIM-DAUGHTER;

[REDACTED] LIM-DAUGHTER;

LOSS OF PAYMENTS MADE TO NORTHERN LEASING

LONG LIM IS A REFUGEE FROM LAOS, AND IN 1998 HE OPENED A NAIL SALON, NAIL QUEEN, IN GEORGIA. SHORTLY AFTER OPENING HIS BUSINESS A SALESMAN CAME BY AND SOLD HIM SOME CREDIT PROCESSING EQUIPMENT. MR. LIM WAS NEVER TOLD HE WAS ENTERING INTO A LEASE, AND THAT SOME COMPANY WOULD BE TAKING MONEY OUT OF HIS BANK ACCOUNT. WITHIN A COUPLE OF MONTHS OF RECEIVING HIS EQUIPMENT, MR. LIM ATTEMPTED TO RETURN IT, AND ASSUMED HIS RELATIONSHIP WITH THE SALESPERSON WAS OVER.

MR. LIM NOTICED NORTHERN LEASING HAD BEEN TAKING MONEY OUT OF HIS BANK ACCOUNT AND WAS FORCED TO CLOSE THE ACCOUNT TO PREVENT FURTHER DEBITS. BY SEPTEMBER OF 1998 THEY HAD TAKEN \$188.53, WHICH IS MONEY MR. LIM NEVER INTENDED TO PAY.

LOSS OF PAYMENTS

= 189

LOSS OF TIME SPENT

IN MAY OF 2001, MR. LIM LEARNED THAT NORTHERN LEASING WAS PURSUING A CLAIM AGAINST HIM FOR OVER TWO THOUSAND DOLLARS. HE DID RESEARCH, COLLECTED PAPERWORK, AND ATTEMPTED TO SORT THINGS OUT WITH NORTHERN LEASING, AND WHEN HE RECEIVED NO FURTHER COMPLAINTS FROM NORTHERN LEASING, MR. LIM ONCE AGAIN ASSUMED EVERYTHING HAD BEEN CORRECTED. IN ACTUALITY, NORTHERN LEASING HAD BEEN SENDING CORRESPONDENCE TO MR. LIM'S FORMER ADDRESS, AND THEY IN FACT HAD NEVER STOPPED PURSUING THEIR CLAIM AGAINST HIM.

IT WAS NOT UNTIL AUGUST OF 2004 THAT MR. LIM SAW THAT THERE WAS A COURT JUDGMENT AGAINST HIM ON HIS CREDIT REPORT. ONCE MR. LIM SAW HIS CREDIT REPORT, HE RESUMED HIS EFFORTS TO CLEAR HIS NAME WITH NORTHERN LEASING. HE WAS RELATIVELY NEW TO THE UNITED STATES, AND HAD NEVER ANY SIMILAR ISSUES IN THE PAST, SO HE STATES HE SPENT A GREAT DEAL OF TIME RESEARCHING THE LAW AND EXPLORING HIS OPTIONS. ALSO, AS A REFUGEE FROM LAOS, MR. LIM SPEAKS ENGLISH, BUT IT IS NOT PERFECT. WHEN DRAFTING LETTERS AND COURT DOCUMENTS, HE STATES HE HAD TO SPEND A LONG TIME WORKING ON THE LETTERS. MR. LIM ALSO BELIEVED IN THE AMERICAN DREAM AND WAS DETERMINED TO CLEAR HIS NAME NO MATTER WHAT. THERE WAS A LOT OF BACK AND FORTH IN COMMUNICATIONS BETWEEN HIM AND NORTHERN LEASING, AND FINALLY IN APRIL 2006 A JUDGE DISMISSED THEIR SUIT AGAINST MR. LIM. ALL TOLD, MR. LIM BELIEVES HE SPENT AT LEAST 200 TO 250 HOURS OF HIS TIME ATTEMPTING TO CORRECT THIS SITUATION.

THE LOSS OF TIME SPENT IS ILLUSTRATED AT 40 HOURS OF TIME SPENT IN EACH YEAR FROM 2001 THROUGH 2006, AND IS VALUED AT \$14.00 IN YEAR 2009 DOLLARS BASED ON THE MEDIAN WAGES OF THE AVERAGE OF OFFICE CLERKS AND PAYROLL AND TIMEKEEPING CLERKS IN GEORGIA. THIS DATA IS FROM THE GEORGIA DEPARTMENT OF LABOR, WAGE DATA AS OF 2009, FOUND AT WWW.DOL.STATE.GA.US. WAGES IN 2001 THROUGH 2008 ARE REDUCED BY NATIONAL AVERAGE WAGE GROWTH OF 0.92 PERCENT IN 2009, 3.05 PERCENT IN 2008, 3.72 PERCENT IN 2007, 4.40 PERCENT IN 2006, 3.42 PERCENT IN 2005, 3.80 PERCENT IN 2004, 5.61 PERCENT IN 2003, AND 2.99 PERCENT IN 2002.

LOSS OF TIME SPENT

2001 = 439 / 2.99% (02 GRW) = 426  
 2002 = 463 / 5.51% (03 GRW) = 439  
 2003 = 481 / 3.80% (04 GRW) = 463  
 2004 = 497 / 3.42% (05 GRW) = 481  
 2005 = 519 / 4.40% (06 GRW) = 497  
 2006 = [11.52 (09 MEDIAN OFFICE CLERK) + 16.47 (09 MEDIAN PAYROLL CLERK)] / 2 = 14.00 / 0.92% (09 GRW) / 3.05% (08 GRW) / 3.72% (07 GRW) = 12.98 \* 40HRS = 519

LOSS OF CREDIT EXPECTANCY

THE COURT JUDGMENT AGAINST HIM CAME TO MR. LIM'S ATTENTION BECAUSE HE HAD BEEN ATTEMPTING TO REFINANCE HIS HOUSE IN 2004 OR 2005, BUT WAS OF COURSE TURNED DOWN AS A RESULT. HE DOES NOT

RECALL HOW MUCH HE WOULD HAVE SAVED ON HIS MORTGAGE AS A RESULT, BUT HIS ORIGINAL MORTGAGE FOR APPROXIMATELY \$165,000. IN THIS PERIOD OF TIME, MR. LIM ALSO APPLIED FOR TWO CREDIT CARDS AND WAS DENIED FOR BOTH OF THEM. MR. LIM STATES HE NEVER HAD ANY CREDIT ISSUES IN THE PAST, BUT WITH NEGATIVE REPORTING ON THE PART OF NORTHERN LEASING AND WITH A COURT JUDGMENT AGAINST HIM, HIS CREDIT WAS RUINED.

AFTER THE LAWSUIT AGAINST HIM GOT DISMISSED IN APRIL 2006, MR. LIM CONTACTED THE CREDIT BUREAUS AND MADE SURE THAT BOTH THE COURT JUDGMENT AND DELINQUENCIES WERE REMOVED FROM HIS REPORT, AND HE HAS EXPERIENCED NO OTHER CREDIT-RELATED PROBLEMS SINCE.

MR. LIM HAD OPENED NAIL QUEEN IN 1998 AND ALSO BECAME A FLIGHT ATTENDANT IN 1999. HE HAD TO QUIT THAT POSITION IN 2000 WHEN HIS SON WAS BORN SO THAT HE COULD LOOK AFTER THE NAIL SALON WHILE HIS WIFE TOOK CARE OF THEIR NEWBORN. IN 2002, MR. LIM OPENED ANOTHER BUSINESS IMPORTING MODEL SHIPS, AIRCRAFT, MOTORCYCLES, ETC. HANDCRAFTED OUT OF EXOTIC WOOD FROM VIETNAM. THE BUSINESS DID NOT PROVE PROFITABLE BECAUSE MR. LIM COULD NOT RAISE ENOUGH CAPITAL, AND HE CLOSED IT IN 2006. MR. LIM ESTIMATES THAT HE WAS EARNING BETWEEN \$45,000 AND \$65,000 PER YEAR FROM NAIL QUEEN DURING HIS PROBLEMS WITH NORTHERN LEASING. HE SOLD THE SALON A COUPLE OF YEARS AGO, AND WENT BACK TO BEING A FLIGHT ATTENDANT FULL-TIME IN APRIL OF 2008.

MR. LIM HAD THE ABILITY TO BORROW CONSIDERABLE SUMS BEYOND HER CURRENT LINES OF CREDIT. I ESTIMATE THIS ADDITIONAL CAPACITY TO BE AT LEAST \$200,000, AND LIKELY MORE, BASED ON MR. LIM'S APPROXIMATE INCOME OF \$55,000 PER YEAR, PREVIOUS ABILITY TO SECURE A MORTGAGE OF APPROXIMATELY \$165,000, AND INTENT TO OBTAIN ADDITIONAL CREDIT CARDS. THIS STANDBY EXPECTANCY HAS A VALUE SIMILAR TO THE VALUE OF A SAFETY NET FOR A TRAPEZE ARTIST, OR THE VALUE OF A TERM LIFE POLICY FOR A PERSON WHO CONTINUES TO LIVE A HEALTHY LIFE - THE VALUE DOES NOT DEPEND UPON THE ACTUAL USE. THE LOSS OF EXPECTANCY IS ESTIMATED BY THE COSTS OF USING THIS CREDIT UNDER NORMAL CIRCUMSTANCES, APPROXIMATELY 12 PERCENT PER YEAR, AND THE COSTS OF USING THIS CREDIT, IF AVAILABLE, AT THE HIGHEST RATES CHARGED TO THOSE WHO ARE VIEWED AS HIGH CREDIT RISKS, APPROXIMATELY 25 PERCENT. THIS DIFFERENCE IS 13 PERCENT PER YEAR AND IS AN ESTIMATE OF THE VALUE OF THE EXPECTANCY LOSS. ALTHOUGH DELINQUENCIES FROM NORTHERN LEASING MAY HAVE APPEARED ON MR. LIM'S CREDIT REPORT AS FAR BACK AS 1998, I CONSERVATIVELY ILLUSTRATE THE LOSS FROM MAY 2001 THROUGH MAY 2006, THE RESPECTIVE APPROXIMATE TIMES WHEN MR. LIM DISCOVERED NORTHERN LEASING WAS PURSUING A CLAIM AGAINST HIM AND WHEN HE WAS ABLE TO HAVE HIS CREDIT REPORT CLEARED.



**LOSS OF CREDIT EXPECTANCY**

2001 =  $200000 * 13\% = 26000 / 365\text{DAYS} * 244\text{DAYS} = 17381$   
 2002 =  $26000 * 2.38\% (02 \text{ INFL}) = 26619$   
 2003 =  $26619 * 1.88\% (03 \text{ INFL}) = 27119$   
 2004 =  $27119 * 3.26\% (04 \text{ INFL}) = 28003$   
 2005 =  $28003 * 3.42\% (05 \text{ INFL}) = 28961$   
 2006 =  $28961 * 2.54\% (06 \text{ INFL}) = 29697 / 365\text{DAYS} * 152\text{DAYS} =$   
**12367**

**REDUCTION IN VALUE OF LIFE ("RVL")**

I ILLUSTRATE THE RANGE TO BE BETWEEN 40 PERCENT AND 60 PERCENT FROM MAY 2001 THROUGH APRIL 2006, AND BETWEEN 5 PERCENT AND 10 PERCENT THEREAFTER. SEE INTERVIEW NOTES FOR DETAILS. LOSS CONFIRMED IN INTERVIEW.

**LOWER**

2001 =  $104995 / 2.38\% \text{ INFLATION} = 102554 * 40\% = 41022 / 365\text{DAYS} * 244\text{DAYS} = 27423$   
 2002 =  $106969 / 1.88\% \text{ INFLATION} = 104995 * 40\% = 41998$   
 2003 =  $110456 / 3.26\% \text{ INFLATION} = 106969 * 40\% = 42788$   
 2004 =  $114234 / 3.42\% \text{ INFLATION} = 110456 * 40\% = 44182$   
 2005 =  $117135 / 2.54\% \text{ INFLATION} = 114234 * 40\% = 45694$   
 2006 =  $121915 / 4.08\% \text{ INFLATION} = [117135 * 40\% = 46854 / 365\text{DAYS} * 121\text{DAYS} = 15532] + [117135 * 5\% = 5857 / 365\text{DAYS} * 244\text{DAYS} = 3915] = 19447$   
 2007 =  $122024 / 0.09\% \text{ INFLATION} = 121915 * 5\% = 6096$   
 2008 =  $125343 / 2.72\% \text{ INFLATION} = 122024 * 5\% = 6101$   
 2009 =  $129104 (2010 \text{ EST BASE}) / 3.00\% \text{ EST. } 09 \text{ INFL} = 125343 * 5\% = 6267$   
 2010 =  $129104 (\text{BASE}) * 5\% = 6455 \text{ THRU LE AT } 3.00\%$

**UPPER**

2001 =  $104995 / 2.38\% \text{ INFLATION} = 102554 * 60\% = 61532 / 365\text{DAYS} * 244\text{DAYS} = 41134$   
 2002 =  $106969 / 1.88\% \text{ INFLATION} = 104995 * 60\% = 62997$   
 2003 =  $110456 / 3.26\% \text{ INFLATION} = 106969 * 60\% = 64181$   
 2004 =  $114234 / 3.42\% \text{ INFLATION} = 110456 * 60\% = 66274$   
 2005 =  $117135 / 2.54\% \text{ INFLATION} = 114234 * 60\% = 68540$   
 2006 =  $121915 / 4.08\% \text{ INFLATION} = [117135 * 60\% = 70281 / 365\text{DAYS} * 121\text{DAYS} = 23299] + [117135 * 10\% = 11714 / 365\text{DAYS} * 244\text{DAYS} = 7831] = 31130$   
 2007 =  $122024 / 0.09\% \text{ INFLATION} = 121915 * 10\% = 12192$   
 2008 =  $125343 / 2.72\% \text{ INFLATION} = 122024 * 10\% = 12202$   
 2009 =  $129104 (2010 \text{ EST BASE}) / 3.00\% \text{ EST. } 09 \text{ INFL} = 125343 * 10\% = 12534$   
 2010 =  $129104 (\text{BASE}) * 10\% = 12910 \text{ THRU LE AT } 3.00\%$

BAE TCW/LONG LIM (PL) ON 08-11-2010 AT C [REDACTED]

TIME, PAYMENT LOSS / CREDIT

LONG LIM IS A REFUGEE FROM LAOS, AND IN 1998 HE OPENED A NAIL SALON, NAIL QUEEN, IN GEORGIA. SHORTLY AFTER OPENING HIS BUSINESS A SALESMAN CAME BY AND SOLD HIM SOME CREDIT PROCESSING EQUIPMENT. MR. LIM WAS NEVER TOLD HE WAS ENTERING INTO A LEASE, AND THAT SOME COMPANY WOULD BE TAKING MONEY OUT OF HIS BANK ACCOUNT. WITHIN A COUPLE OF MONTHS OF RECEIVING HIS EQUIPMENT, MR. LIM ATTEMPTED TO RETURN IT, AND ASSUMED HIS RELATIONSHIP WITH THE SALESPERSON WAS OVER.

MR. LIM NOTICED NORTHERN LEASING HAD BEEN TAKING MONEY OUT OF HIS BANK ACCOUNT AND WAS FORCED TO CLOSE THE ACCOUNT TO PREVENT FURTHER DEBITS. BY SEPTEMBER OF 1998 THEY HAD TAKEN \$188.53, WHICH IS MONEY MR. LIM NEVER INTENDED TO PAY.

IN MAY OF 2001, MR. LIM LEARNED THAT NORTHERN LEASING WAS PURSUING A CLAIM AGAINST HIM FOR A COUPLE THOUSAND DOLLARS. HE DID SOME RESEARCH, COLLECTED SOME PAPERWORK, AND ATTEMPTED TO SORT THINGS OUT WITH NORTHERN LEASING, AND WHEN HE RECEIVED NO FURTHER COMPLAINTS FROM NORTHERN LEASING, MR. LIM ONCE AGAIN ASSUMED EVERYTHING GOT CORRECTED.

IT WAS NOT UNTIL AUGUST OF 2004 THAT MR. LIM SAW THAT THERE WAS A COURT JUDGMENT AGAINST HIM ON HIS CREDIT REPORT. THIS CAME TO MR. LIM'S ATTENTION BECAUSE HE HAD BEEN ATTEMPTING TO REFINANCE HIS HOUSE, BUT WAS OF COURSE TURNED DOWN AS A RESULT. HE DOES NOT RECALL HOW MUCH HE WOULD HAVE SAVED ON HIS MORTGAGE AS A RESULT, BUT HIS ORIGINAL MORTGAGE FOR APPROXIMATELY \$165,000. IN THIS PERIOD OF TIME, HE ALSO APPLIED FOR TWO CREDIT CARDS AND WAS DENIED FOR BOTH OF THEM. MR. LIM NEVER HAD ANY CREDIT ISSUES IN THE PAST OR SINCE, BUT WITH NEGATIVE REPORTING ON THE PART OF NORTHERN LEASING AND WITH A COURT JUDGMENT AGAINST HIM, HIS CREDIT WAS RUINED.

ONCE MR. LIM SAW HIS CREDIT REPORT, HE RESUMED HIS EFFORTS TO CLEAR HIS NAME WITH NORTHERN LEASING. HE WAS RELATIVELY NEW TO THE UNITED STATES, AND HAD NEVER ANY SIMILAR ISSUES IN THE PAST, SO HE SPENT A GREAT DEAL OF TIME RESEARCHING THE LAW AND EXPLORING HIS OPTIONS. ALSO, AS A REFUGEE FROM LAOS, MR. LIM SPEAKS ENGLISH, BUT IT IS NOT PERFECT. WHEN DRAFTING LETTERS AND COURT DOCUMENTS, HE HAD TO SPEND A LONG TIME WORKING ON THE LETTERS. MR. LIM BELIEVED IN THE AMERICAN DREAM AND WAS DETERMINED TO CLEAR HIS NAME NO MATTER WHAT. THERE WAS A LOT OF BACK AND FORTH BETWEEN HIM AND NORTHERN LEASING, AND FINALLY IN APRIL 2006, A JUDGE DISMISSED THEIR SUIT AGAINST MR. LIM. ALL TOLD, MR. LIM BELIEVES HE SPENT AT LEAST 200-250 HOURS OF HIS TIME ATTEMPTING TO CORRECT THIS SITUATION.

AFTER THE LAWSUIT AGAINST HIM GOT DISMISSED, MR. LIM CONTACTED THE CREDIT BUREAUS AND MADE SURE THAT BOTH THE COURT JUDGMENT AND

DELINQUENCIES WERE REMOVED FROM HIS REPORT, AND HE HAS EXPERIENCED NO OTHER CREDIT-RELATED PROBLEMS SINCE.

MR. LIM OPENED NAIL QUEEN IN 1998 AND ALSO BECAME A FLIGHT ATTENDANT IN 1999. HE HAD TO QUIT THAT POSITION IN 2000 WHEN HIS SON WAS BORN SO THAT HE COULD LOOK AFTER THE NAIL SALON WHILE HIS WIFE TOOK CARE OF THEIR NEWBORN. IN 2002, MR. LIM OPENED ANOTHER BUSINESS IMPORTING MODEL SHIPS, AIRCRAFT, MOTORCYCLES, ETC. HANDCRAFTED OUT OF EXOTIC WOOD FROM VIETNAM. THE BUSINESS DID NOT PROVE PROFITABLE BECAUSE MR. LIM COULD NOT RAISE ENOUGH CAPITAL, AND HE CLOSED IT IN 2006. MR. LIM ESTIMATES THAT HE WAS EARNING BETWEEN \$45,000 AND \$65,000 PER YEAR FROM NAIL QUEEN DURING THE PROBLEMS WITH NORTHERN LEASING. HE SOLD THE SALON A COUPLE OF YEARS AGO, AND WENT BACK TO BEING A FLIGHT ATTENDANT FULL-TIME IN APRIL OF 2008.

RVL

EMOTIONAL

LONG'S ORDEAL WITH NORTHERN LEASING WAS INCREDIBLY STRESSFUL AND PUT A GIANT STRAIN ON HIS MARRIAGE AND FAMILY. LONG'S WIFE WAS VERY SCARED AND WORRIED THAT THEY MIGHT LOSE THEIR HOUSE AND EVERYTHING THAT THEY HAD WORKED FOR IN AMERICA. SHE URGED HIM TO JUST PAY NORTHERN LEASING OFF, BUT LONG INSISTED ON FIGHTING FOR HIMSELF. THIS CAUSED MANY, MANY DISAGREEMENTS BETWEEN THEM.

ALL OF THE TIME LONG SPENT TRYING TO FIND HELP OR SOMEONE WHO COULD UNDERSTAND HIS SITUATION LED TO A LOT OF SLEEPLESS NIGHT. HE THOUGHT THAT COMING FROM A COMMUNIST REGIME TO AMERICA MEANT THAT IF YOU WORKED HARD AND PLAYED BY THE RULES, EVERYTHING WOULD BE OKAY. INSTEAD SOME COMPANY CAME ALONG AND SCAMMED HIM AND THEN SUED HIM LATER. AND EVERYONE THAT LONG REACHED OUT TO FOR HELP COULD NOT DO ANYTHING FOR HIM. HE BECAME VERY DISTRUSTFUL OF THE SYSTEM AND DISILLUSIONED WITH AMERICA. LONG WAS VERY RELIEVED WHEN THE LAWSUIT GOT DISMISSED, BUT HIS FEELINGS HAVE NOT CHANGED. HE FEELS BAD FOR EVERYONE ELSE THAT GOT SCAMMED, AND HOPES IT WILL NOT HAPPEN TO ANYONE ELSE. ESTIMATES HIS QUALITY OF LIFE WAS ABOUT 50% WHILE HE WAS DEALING WITH NORTHERN LEASING, AND APPROXIMATELY 90% TO 95% SINCE.

08-12-10  
01 CN \*\* 00 LONG LIM  
01 /\* \*\* 00 LOSS OF TIME SPENT  
01 CC \*\* 00 05-01-2001 10-01-2010 05-01-2001 04-11-1969 04-10-2047 12-31  
01 CC \*\* 00 WM XXXX 7 PXX O N  
01 PJ WA 00 05-01-2001 12-31-2001 1 426 0 0.00 0.00  
01 PJ WA 01 01-01-2002 12-31-2002 1 439 0 0.00 0.00  
01 PJ WA 02 01-01-2003 12-31-2003 1 463 0 0.00 0.00  
01 PJ WA 03 01-01-2004 12-31-2004 1 481 0 0.00 0.00  
01 PJ WA 04 01-01-2005 12-31-2005 1 497 0 0.00 0.00  
01 PJ WA 05 01-01-2006 12-31-2006 1 519 0 0.00 0.00  
01 IN \*\* 00 1 10-01-2010 04-10-2047 1 4.45  
01 FM \*\* 00 0 59 N N N X X X X X X X X X X  
01 TB WA P 05-01-2001 12-31-2006 0 0 1 1  
01 TB SM P 05-01-2001 12-31-2006 0 0 2 1

02 CN \*\* 00 LONG LIM  
02 /\* \*\* 00 CREDIT EXPECTANCY  
02 CC \*\* 00 05-01-2001 10-01-2010 05-01-2001 04-11-1969 04-10-2047 12-31  
02 CC \*\* 00 WM XXXX 7 XXB O N  
02 PJ WA 00 05-01-2001 12-31-2001 1 17381 0 0.00 0.00  
02 PJ WA 01 01-01-2002 12-31-2002 1 26619 0 0.00 0.00  
02 PJ WA 02 01-01-2003 12-31-2003 1 27119 0 0.00 0.00  
02 PJ WA 03 01-01-2004 12-31-2004 1 28003 0 0.00 0.00  
02 PJ WA 04 01-01-2005 12-31-2005 1 28961 0 0.00 0.00  
02 PJ WA 05 01-01-2006 05-30-2006 1 12367 0 0.00 0.00  
02 IN \*\* 00 1 10-01-2010 04-10-2047 1 4.45  
02 FM \*\* 00 0 59 N N N X X X X X X X X X X  
02 TB WA P 05-01-2001 05-30-2006 0 0 3 1  
02 TB SM B 05-01-2001 00-00-0000 0 0 4 1

03 CN \*\* 00 LONG LIM  
03 /\* \*\* 00 RVL - LOWER  
03 CC \*\* 00 05-01-2001 10-01-2010 05-01-2001 04-11-1969 04-10-2047 12-31  
03 CC \*\* 00 WM XXXX 7 XXB O N  
03 PJ X1 00 05-01-2001 12-31-2001 1 27423 0 0.00 0.00  
03 PJ X1 01 01-01-2002 12-31-2002 1 41998 0 0.00 0.00  
03 PJ X1 02 01-01-2003 12-31-2003 1 42788 0 0.00 0.00  
03 PJ X1 03 01-01-2004 12-31-2004 1 44182 0 0.00 0.00  
03 PJ X1 04 01-01-2005 12-31-2005 1 45694 0 0.00 0.00  
03 PJ X1 05 01-01-2006 12-31-2006 1 19447 0 0.00 0.00  
03 PJ X1 06 01-01-2007 12-31-2007 1 6096 0 0.00 0.00  
03 PJ X1 07 01-01-2008 12-31-2008 1 6101 0 0.00 0.00  
03 PJ X1 08 01-01-2009 12-31-2009 1 6267 0 0.00 0.00  
03 PJ X1 09 01-01-2010 04-10-2047 1 6455 1 3.00 0.00  
03 IN \*\* 00 1 10-01-2010 04-10-2047 1 4.45  
03 FM \*\* 00 0 59 N N N X X X X X X X X X X  
03 TB X1 P 05-01-2001 09-30-2010 0 0 5 1  
03 TB X1 F 10-01-2010 04-10-2047 0 1 6 1  
03 TB SM B 05-01-2001 04-10-2047 0 1 7 1

Case 7:06-cv-01625-JSG Document 130-4 Filed 11/03/10 Page 31 of 31

04 CN \*\* 00 05-01-2001 10-01-2010 05-01-2001 04-11-1969 04-10-2047 12-31  
 04 /\* \*\* 00 RVL - UPPER  
 04 CC \*\* 00 05-01-2001 10-01-2010 05-01-2001 04-11-1969 04-10-2047 12-31  
 04 CC \*\* 00 WM XXXX 7 XXB O N  
 04 PJ X1 00 05-01-2001 12-31-2001 1 41134 0 0.00 0.00  
 04 PJ X1 01 01-01-2002 12-31-2002 1 62997 0 0.00 0.00  
 04 PJ X1 02 01-01-2003 12-31-2003 1 64181 0 0.00 0.00  
 04 PJ X1 03 01-01-2004 12-31-2004 1 66274 0 0.00 0.00  
 04 PJ X1 04 01-01-2005 12-31-2005 1 68540 0 0.00 0.00  
 04 PJ X1 05 01-01-2006 12-31-2006 1 31130 0 0.00 0.00  
 04 PJ X1 06 01-01-2007 12-31-2007 1 12192 0 0.00 0.00  
 04 PJ X1 07 01-01-2008 12-31-2008 1 12202 0 0.00 0.00  
 04 PJ X1 08 01-01-2009 12-31-2009 1 12534 0 0.00 0.00  
 04 PJ X1 09 01-01-2010 04-10-2047 1 12910 1 3.00 0.00  
 04 IN \*\* 00 1 10-01-2010 04-10-2047 1 4.45  
 04 FM \*\* 00 0 59 N N N X X X X X X X X X X  
 04 TB X1 P 05-01-2001 09-30-2010 0 0 8 1  
 04 TB X1 F 10-01-2010 04-10-2047 0 1 9 1  
 04 TB SM B 05-01-2001 04-10-2047 0 1 10 1